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# ANNUAL REPORT

OF

# THE NASH MOTORS COMPANY
(Maryland Corporation)

FISCAL YEAR ENDED NOVEMBER 30, 1925

TO THE STOCKHOLDERS:

On November 30, 1925, your Company closed the most satisfactory and profitable year in its history. Throughout the twelve-month period, the demand for our product was greater than our ability to supply and plant operations were maintained at peak production throughout the year except for a short period in the late fall when there was a slight curtailment in manufacturing activities due to rearrangement of machinery and installation of additional facilities to more nearly meet the demand for our product. It was very gratifying to be able to give steady employment throughout the year to our large working force. This steady employment has not only greatly increased efficiency of plant operation, but has brought an added measure of prosperity and contentment to these loyal workers.

Your subsidiary Company, Ajax Motors Company (owned entirely by The Nash Motors Company) which was launched last year, got into production in May of this fiscal year and, while the output of cars was necessarily limited in the beginning, the accomplishments to date have exceeded our expectation and we are very proud of the organization and the product. The results of Ajax Motors Company are consolidated with those of The Nash Motors Company in the balance sheet and earnings.

The number of cars and trucks sold during the year was more than 93,000.

During the year, the Company has continued its policy of incorporating engineering and mechanical refinements as they seemed desirable with the intention at all times to keep pace with the advancement of the industry.

The Company has materially increased the number of its dealers during the year. These dealers generally have made money and we feel that our sales organization is in position to do a larger volume of business than ever before.

More intensive work in the development of foreign business was inaugurated at the beginning of the year. The stimulation of established connections and the addition of new ones have resulted in 114 per cent. increase in foreign business, and indications are that in another twelve months our product will be well established throughout the world. The Ajax car should materially aid in increasing our export business.

Inventory taken November 30, 1925, is somewhat larger than a year ago but is well balanced and, when considered in relation to the increased operations and the tendency of market prices, is conservative. The Company was again able to turn its inventory twelve times during the year.

In addition to equipping the Ajax plant, the Company has during the year added real estate buildings, machinery and equipment to its manufacturing facilities of a value in excess of $2,000,000; of this amount $271,371.82 represents a transfer from investment account to plant account and not the outlay of cash.

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The net profits for the year, after deducting all expenses, reserves, depreciation, state and federal taxes and the write-off on investments, were $16,256,216.02. The balance sheet shows Accounts Payable of $3,876,299.66 which represents current bills of The Nash Motors Company and Ajax Motors Company after eliminating inter-company accounts. This item constitutes the only indebtedness of the Company except the reserve for taxes.

During the year, the Company purchased for retirement $6,966,000 par value of its Preferred Stock in anticipation of the retirement of all its Preferred Stock on February 1, 1926, leaving outstanding as of November 30, 1925, $8,038,400 par value.

The Company, during the year 1925, paid out to its stockholders in dividends $5,419,309 and closes the year with a balance of $23,946,128.86 in cash on hand, in banks and in Government securities, after setting aside the $8,580,992.00 for the retirement of the preferred stock on February 1, 1926.

Herewith, are presented to you the consolidated balance sheet and profit and loss statement of The Nash Motors Company and Ajax Motors Company at the close of the fiscal year November 30, 1925.

By order of the Board of Directors.

CHARLES W. NASH
President.

January 11, 1926.

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O F F I C E R S

CHARLES W. NASH
President

WALTER H. ALFORD
Vice-President and Comptroller

ROBERT F. HERRICK JAMES T. WILSON
Vice-Presidents

GEORGE H. EDDY
Treasurer

HORACE J. MELLUM
Secretary

D I R E C T O R S

JAMES J. STORROW, Chairman

WALTER H. ALFORD
ROBERT F. HERRICK
JOSEPH L. KERR
FREDERIC W. ALLEN
CHARLES T. JEFFERY
CHARLES W. NASH
JAMES T. WILSON
EMORY W. CLARK
THOMAS M. KEARNEY
SAMUEL F. PRYOR

# CONSOLIDATED BALANCE SHEET AS OF NOVEMBER 30, 1925

(THE NASH MOTORS COMPANY AND AJAX MOTORS COMPANY)

## ASSETS

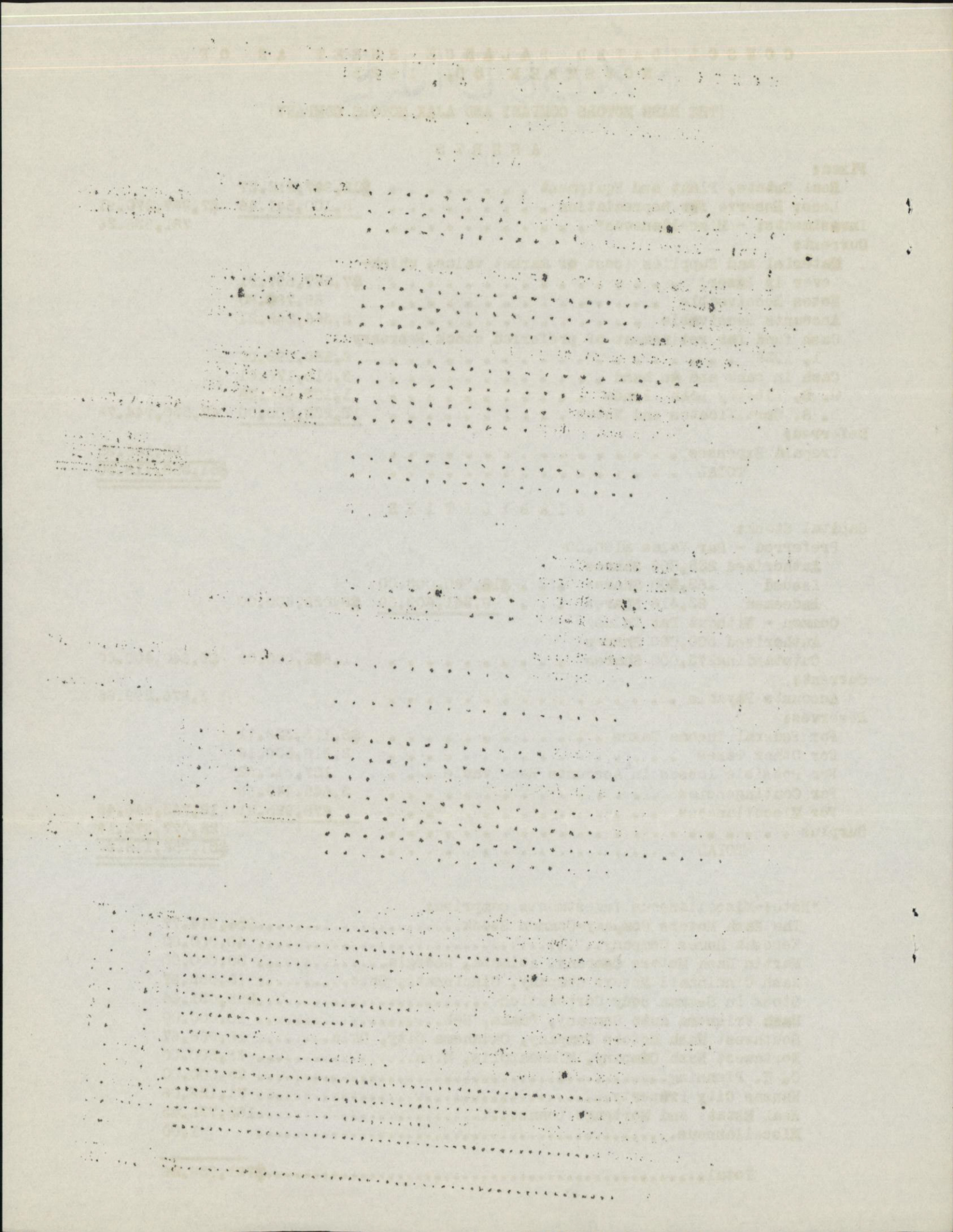
| | | | |
|---|---|---|---|
| **Fixed:** | | | |
| Real Estate, Plant and Equipment | | $12,987,812.37 | |
| Less: Reserve for Depreciation | | 5,100,541.46 | $7,887,270.91 |
| **Investments: - Miscellaneous*** | | | 781,936.26 |
| **Current:** | | | |
| Material and Supplies (cost or market value, whichever is lower) | | $7,567,597.91 | |
| Notes Receiveable | | 69,780.80 | |
| Accounts Receivable | | 2,366,245.21 | |
| Cash fund for retirement of preferred stock February 1, 1926 | | 8,580,992.00 | |
| Cash in bank and on hand | | 9,515,176.61 | |
| U. S. Liberty Loan Bonds | | 1,198,452.25 | |
| U. S. Certificates and Notes | | 13,232,500.00 | 42,530,744.78 |
| **Deferred:** | | | |
| Prepaid Expenses | | | 158,166.35 |
| TOTAL | | | $51,358,118.30 |

## LIABILITIES

| | | | |
|---|---|---|---|
| **Capital Stock:** | | | |
| Preferred - Par Value $100.00 | | | |
| Authorized 225,000 Shares | | | |
| Issued 163,800 Shares | $16,380,000.00 | | |
| Redeemed 83,416 Shares | 8,341,600.00 | $8,038,400.00 | |
| Common - Without Par Value | | | |
| Authorized 300,000 Shares | | | |
| Outstanding 273,000 Shares | | 1,602,000.00 | $9,640,400.00 |
| **Current:** | | | |
| Accounts Payable | | | 3,876,299.66 |
| **Reserves:** | | | |
| For Federal Income Taxes | | $5,193,328.11 | |
| For Other Taxes | | 2,918,530.16 | |
| For Possible losses in Accounts Receivable | | 127,313.32 | |
| For Contingencies | | 3,645,449.65 | |
| For Miscellaneous | | 878,925.21 | 12,763,546.45 |
| **Surplus** | | | 25,077,872.19 |
| TOTAL | | | $51,358,118.30 |

*Note:-Miscellaneous Investments comprise:

| | |
|---|---|
| The Nash Motors Company-Common Stock | $54,914.77 |
| Kenosha Homes Company | 40,000.00 |
| Martin Nash Motors Company, Atlanta, Georgia | 30,000.00 |
| Nash Cincinnati Motors Company, Cincinnati, Ohio | 18,555.87 |
| Stock in Seaman Body Corporation | 255,031.44 |
| Nash Vriesema Auto Company, Omaha, Neb | 10,000.00 |
| Southwest Nash Motors Company, Oklahoma City, Okla | 18,066.67 |
| Northwest Nash Company, Minneapolis, Minn | 75,500.00 |
| C. H. Pfenning | 25,000.00 |
| Kansas City Property | 71,128.08 |
| Real Estate and Mortgage Loans | 183,738.43 |
| Miscellaneous | 1.00 |
| Total | $781,936.26 |



# COMBINED PROFIT AND LOSS ACCOUNT

| | | |
|---|---|---|
| Surplus: November 30, 1924 . . . . . | | $14,240,965.17 |
| Net Income for year ending November 30, 1925, after deducting expenses of manufacturing (including depreciation) selling, administration, local taxes and loss on investments, and $2,583,251.43 for Federal Income Tax . . . . . | | 16,256,216.02 |
| | | $30,497,181.19 |
| Less: | | |
| Cash Dividends: | | |
| On Preferred Stock . . . . . | $1,051,309.00 | |
| On Common Stock . . . . . | 4,368,000.00 | 5,419,309.00 |
| Surplus: November 30, 1925 . . . . . | | $25,077,872.19 |